



**SPECIAL BOARD MEETING MINUTES
OVERSIGHT BOARD – SUCCESSOR AGENCY TO THE
SAN JOSE REDEVELOPMENT AGENCY**

SAN JOSE, CALIFORNIA

THURSDAY, DECEMBER 10, 2015

The Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San José convened at 9:00 a.m. in the Council Chambers at San Jose City Hall.

1. Call to Order and Roll Call

BOARD MEMBERS PRESENT

**Tony Estremera, Chair, Santa Clara Valley Water District
Ed Maduli, Vice-Chair California Community Colleges
Abraham Andrade, City of San José
Debbie Cauble (for John Guthrie, County of Santa Clara)
Jim Shannon, City of San José
Matthew Tinsley, Santa Clara County Office of Education
David Snow, County of Santa Clara**

ABSENT BOARD MEMBERS:

All Present.

STAFF PRESENT

**Richard Doyle, Successor Agency General Counsel
David Sykes, representing Successor Agency Executive Officer
Richard Keit, Successor Agency Managing Director
Julia Cooper, Successor Agency Chief Financial Officer
Ruth Krantz, Deputy Clerk of the Board**

2. Closed Session

None.

3. Adoption of Agenda

Chair Tony Estremera questioned why discussion of the meeting times and dates were not included on this agenda as requested during the November 19, 2015 meeting. He further requested that a copy of the Oversight Board meeting by-laws be provided to the Board at the next meeting. Successor Agency Managing Director Richard A. Keit offered that the approved meeting time of the Oversight Board is 9 a.m.; the 2nd Thursday of the month is a 'regular' meeting of the Board, and the 4th Thursday of the month is considered a 'special' meeting. He agreed to provide a copy of the by-laws to the Board.

Action: Upon motion by Vice-Chair Maduli, seconded by Board Member Shannon, and carried unanimously the Agenda was adopted. (7-0.)

4. Approval of Minutes

Documents Filed: Oversight Board Minutes dated October 1, 2015 and November 19, 2015.

Motion: Board Member Snow moved approval of the Minutes of October 1, 2015. Board Member Shannon seconded the motion.

Action: The minutes of October 1, 2015 were approved. (4-0-0-3. Abstain: Cauble, Maduli, Tinsley.)

Motion: Board Member Shannon moved approval of the Minutes of November 19, 2015. Board Member Andrade seconded the motion.

Action: The minutes of November 19, 2015 were approved. (6-0-0-1. Abstain: Snow.)

5. Consent Calendar

None.

6. Items Scheduled for Action/Discussion

6.1 Presentation on Bond Covenants by Successor Agency Bond Counsel

Documents Filed: Memorandum from Chief Deputy City Attorney, Patricia A. Deignan, dated December 4, 2015, providing a letter from Bond Counsel, Stephen Melikian, Esq. of Jones Hall, LLC related to Outstanding Bonds.

Bond Counsel, Stephen Melikian, Esq. of Jones Hall, LLC, provided a presentation.

No Action required.

6.2 Presentation of the Proposed July 2016 to June 2017 Administrative Budget and Draft ROPS

Documents Filed: Joint memorandum from Chief Financial Officer Julia H. Cooper and Successor Agency Managing Director Richard A. Keit, dated December 4, 2015, recommending consideration of ROPS items.

Chief Financial Officer Julia H. Cooper provided an overview, and indicated that this will return to the Oversight Board for review at the January 14, 2016 meeting in a format provided by the Department of Finance.

Vice Chair Maduli asked for additional information in order to allow the comparison of Fiscal Year 16-17 FTE estimates with Fiscal Year 15-16 FTE amounts.

Board Member Snow indicated some discomfort with the calculation methodology used to determine the bond reserves.

No action required. To be returned before the Board at the January 14, 2016 meeting.

6.3 Independent Auditor's Report and Basic Financial Statements for Fiscal Year ending June 30, 2015.

Documents Filed: Memorandum from Chief Financial Officer Julia H. Cooper, dated November 30, 2015, providing the Annual Audited Financial Statements.

Chief Financial Officer Julia H. Cooper and Grace Martinez, Deputy Director Accounting provided a presentation.

No action required.

6.4 Amend the Disposition Process for Sale of Properties

Documents Filed: Memorandum from Successor Agency Managing Director Richard A. Keit, dated December 4, 2015, recommending adoption of a resolution.

Public Comment: Expressing support to the City's acquisition of the Plaza Hotel property and speaking to the City's need to address the issue of homelessness were Mark Ramoser, Silicon Valley Independent Living Center; Sandy Perry, Affordable Housing Network; Jon White, Abode Services; Eileen Hunter, Bruce Roberts, Moria Merriweather, Robert Aguirre and Phil Mastrocola.

Successor Agency Managing Director Richard A. Keit gave an overview of the amendment, and indicated Staff's proposal to amend the Disposition Process to allow any affected taxing entity the opportunity to notify the Successor Agency of their interest in acquiring a property designated for sale on the Plan at any time prior to solicitation for housing the homeless or other affordable purposes.

6.4 Amend the Disposition Process for Sale of Properties (Cont'd.)

Board Members Cauble, Tinsley, Maduli and Snow expressed dissatisfaction with the broad scope of the amendment. Successor Agency General Counsel Richard Doyle suggested that the Board can narrow the scope of the resolution today and work to modify the existing language.

The Board modified the recommended action to change the proposed amendment to the Disposition Process for the Sale of Properties, providing an exception that the City of San José notify the Successor Agency to acquire the Plaza Hotel for housing the homeless, and that upon receipt of such notice, the Successor Agency may bring the proposed sale forward for consideration by the Oversight Board.

Action: Upon motion by Board Member Snow, seconded by Board Member Shannon and carried unanimously, Resolution No. 2015-12-1101, entitled “A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San José Approving an Amendment to the Disposition Process for Sale of Properties for the Disposition of Successor Agency Owned Properties Designated for Sale in the Long Range Property Management Plan”, was adopted. (7-0.)

6.5 Sale of 96 South Almaden Avenue (Plaza Hotel)

Documents Filed: Memorandum from Successor Agency Managing Director Richard A. Keit, dated December 4, 2015, recommending adoption of a resolution.

Public Comment: Offering appreciation for the actions taken by the Oversight Board in taking steps towards approving the sale of the Plaza Hotel to the City of San José, were Moria Merriweather, Robert Aguirre, Phil Mastrocola; Stuart Hayden, Grace Baptist Church Shelter; Ramon Johnson, Homeless Veterans; and Gail Osmer.

Action: Upon motion by Board Member Maduli, seconded by Board Member Andrade and carried unanimously, Resolution No. 2015-12-1102, entitled “A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San José Approving the Sale of Successor Agency Owned Real Property Located at 96 South Almaden Road (Plaza Hotel) to the City of San José for the Appraised Value of \$740,000”, was adopted. (7-0.)

6.6 Approve Solicitation Process for Successor Agency Owned Public Garage located at 88 West San Fernando Street

Documents Filed: Memorandum from Successor Agency Managing Director Richard A. Keit, dated December 4, 2015, recommending adoption of a resolution.

Finance Administrator Rachel VanderVeen addressed the Board’s previous suggestions regarding paying a portion of the Garage’s Home Owner’s Association dues, responding that the City is not in a position to provide this financial assistance.

6.6 Approve Solicitation Process for Successor Agency Owned Public Garage located at 88 West San Fernando Street (Cont'd.)

Action: Upon motion by Board Member Snow, seconded by Board Member Cauble and carried unanimously, Resolution No. 2015-12-1103, entitled “A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San José Approving Ratifying the Solicitation Process for the Successor Agency Owned Public Garage Located at 88 West San Fernando Street”, was adopted. (7-0.)

Reports and Correspondence

7.1 November 18, 2015 Letter from the State Department of Finance

Documents Filed: Letter from Justyn Howard, Assistant Program Budget Manager, from the State Department of Finance dated November 18, 2015, regarding the Recognized Obligation Payment Schedule.

No action required.

7.2 December 1, 2015 Letter from Chief Financial Officer

Documents Filed: Letter from Chief Financial Officer Julia H. Cooper to Finance Director Santa Clara County, Emily Harrison, dated December 1, 2015, regarding Notification of Insufficiency of Funds.

No action required.

7. Future Agenda Items

Staff to provide the Board with a copy of the Oversight Board’s By-Laws, meeting schedule, and a schedule of solicitations.

8. Open Forum

None.

9. Adjournment

The Oversight Board of the Successor Agency to the Redevelopment Agency adjourned at 10:47 a.m. to 9:00 a.m. Thursday, January 14, 2016.

Minutes Recorded, Prepared and Respectfully Submitted by,



ATTEST:

OVERSIGHT BOARD – SUCCESSOR AGENCY TO THE
SAN JOSE REDEVELOPMENT AGENCY
TONI J. TABER, CLERK OF THE BOARD

Ruth Krantz, Deputy Clerk of the Board

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